

AMENDED IN ASSEMBLY APRIL 3, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 2739

Introduced by Assembly Member Baugh

February 25, 2000

An act to amend Section 25205.6 of the Health and Safety Code, relating to hazardous waste.

LEGISLATIVE COUNSEL'S DIGEST

AB 2739, as amended, Baugh. Hazardous materials handling charge.

Existing law requires corporations that use, generate, store, or conduct activities in this state related to hazardous materials to pay an annual charge, based upon a schedule of Standard Industrial Classification Codes provided by the Department of Toxic Substances Control to the State Board of Equalization. Existing law establishes a schedule for the fee, based upon the number of employees employed by a corporation, and sets the fee for those corporations that employ more than 1,000 or more employees at \$9,500. For purposes of this charge, existing law provides that the number of employees of a corporation is based on the number of persons employed for more than 500 hours in the preceding calendar year.

Under existing law, specified funds, including the charge imposed on corporations handling hazardous materials, are deposited in the Toxic Substances Control Account in the General Fund and the funds deposited in that account are

available upon appropriation to the department for purposes relating to the cleanup of hazardous substance release sites.

This bill would decrease the amount of the fee for corporations that employ 1,000 or more employees, but less than ~~1,499~~ 1,500 employees, to \$4,200, would specify the fee for corporations that employ less than 3,000 employees, and would set the fee for corporations that employ 3,000 or more employees at \$9,500.

The bill would increase the number of hours that a person is required to work during the preceding calendar year to be considered an employee to 1,000.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 25205.6 of the Health and Safety
2 Code is amended to read:

3 25205.6. (a) On or before November 1 of each year,
4 the department shall provide the board with a schedule
5 of codes, that consists of the types of corporations that use,
6 generate, store, or conduct activities in this state related
7 to hazardous materials, as defined in subdivision (u) of
8 Section 25501, including, but not limited to, hazardous
9 waste. The schedule shall consist of identification codes
10 from one of the following classification systems, as
11 deemed suitable by the department:

12 (1) The Standard Industrial Classification (SIC)
13 system established by the United States Department of
14 Commerce.

15 (2) The North American Industry Classification
16 System (NAICS) adopted by the United States Census
17 Bureau.

18 (b) Each corporation of a type identified in the
19 schedule adopted pursuant to subdivision (a) shall pay an
20 annual fee, which shall be set at two hundred dollars
21 (\$200) for those corporations with 50 or more employees,
22 but less than 75 employees, three hundred fifty dollars
23 (\$350) for those corporations with 75 or more employees,
24 but less than 100 employees, seven hundred dollars

1 (\$700) for those corporations with 100 or more
 2 employees, but less than 250 employees, one thousand
 3 five hundred dollars (\$1,500) for those corporations with
 4 250 or more employees, but less than 500 employees, two
 5 thousand eight hundred dollars (\$2,800) for those
 6 corporations with 500 or more employees, but less than
 7 1,000 employees, four thousand two hundred dollars
 8 (\$4,200) for those corporations with 1,000 or more
 9 employees but less than ~~1,499~~ 1,500 employees, five
 10 thousand six hundred dollars (\$5,600) for those
 11 corporations with 1,500 or more employees but less than
 12 ~~1,999~~ 2,000 employees, seven thousand dollars (\$7,000) for
 13 those corporations with 2,000 or more employees but less
 14 than ~~2,499~~ 2,500 employees, eight thousand four hundred
 15 dollars (\$8,400) for those corporations with 2,500 or more
 16 employees but less than ~~2,999~~ 3,000 employees, and nine
 17 thousand five hundred dollars (\$9,500) for those
 18 corporations with 3,000 or more employees.

19 (c) The fee imposed pursuant to this section shall be
 20 paid by each corporation that is identified in the schedule
 21 adopted pursuant to subdivision (a) in accordance with
 22 Part 22 (commencing with Section 43001) of Division 2 of
 23 the Revenue and Taxation Code and shall be deposited in
 24 the Toxic Substances Control Account. The revenues
 25 shall be available, upon appropriation by the Legislature,
 26 for the purposes specified in subdivision (b) of Section
 27 25173.6.

28 (d) For purposes of this section, the number of
 29 employees employed by a corporation is the number of
 30 persons employed in this state for more than 1000 hours
 31 during the calendar year preceding the calendar year in
 32 which the fee is due.

33 (e) Except for the fees specified in subdivision (b) for
 34 corporations with 1,000 ~~or~~ or more employees, the fee
 35 rates specified in subdivision (b) are the rates for ~~the 1998~~
 36 ~~calendar year~~ *calendar years 1998 to 2001, inclusive.*
 37 Beginning with the ~~1999~~ 2002 calendar year, and for each
 38 calendar year thereafter, the board shall adjust the rates
 39 annually to reflect increases or decreases in the cost of
 40 living during the prior fiscal year, as measured by the

1 Consumer Price Index issued by the Department of
2 Industrial Relations or by a successor agency.

3 (f) Pursuant to paragraph (3) of subsection (c) of
4 Section 104 of the federal Comprehensive
5 Environmental Response, Compensation, and Liability
6 Act of 1980, as amended (42 U.S.C. Sec. 9604(c)(3)), the
7 state is obligated, as authorized by paragraph (5) of
8 subdivision (b) of Section 25173.6, to pay specified costs
9 of removal and remedial actions carried out pursuant to
10 the federal Comprehensive Environmental Response,
11 Compensation, and Liability Act of 1980, as amended (42
12 U.S.C. Sec. 9601, et seq.). The fee rates specified in
13 subdivision (b) are intended to provide sufficient
14 revenues to fund the purposes of subdivision (b) of
15 Section 25173.6, including appropriations in any given
16 fiscal year of three million three hundred thousand
17 dollars (\$3,300,000) to fund the state's obligation pursuant
18 to paragraph (3) of subsection (c) of Section 104 of the
19 federal Comprehensive Environmental Response,
20 Compensation, and Liability Act of 1980, as amended (42
21 U.S.C. Sec. 9604(c)(3)). If the department determines
22 that the state's obligation under paragraph (3) of
23 subsection (c) of Section 104 of the federal
24 Comprehensive Environmental Response,
25 Compensation, and Liability Act of 1980, as amended (42
26 U.S.C. Sec. 9604(c)(3)) will exceed three million three
27 hundred thousand dollars (\$3,300,000) in any fiscal year,
28 the department shall report that determination to the
29 Legislature in the Governor's Budget. If, as part of the
30 Budget Act deliberations, the Legislature concurs with
31 the department's determination, the Legislature shall
32 specify in the annual Budget Act those pro rata changes
33 to the fee rates specified in subdivision (b) that will
34 increase revenues in the next calendar year as necessary
35 to fund the state's increased obligations. However, the
36 Legislature shall not specify fee rates in the annual
37 Budget Act that increase revenues in an amount greater
38 than eight million two hundred thousand dollars
39 (\$8,200,000) above the revenues provided by the fee rates
40 specified in subdivision (b). Any changes in the fee rates

1 approved by the Legislature in the annual Budget Act
2 pursuant to this subdivision shall have effect only on the
3 fee payment that is due and payable by the end of
4 February in the fiscal year for which that annual Budget
5 Act is enacted.

6 (g) This section does not apply to nonprofit
7 corporations primarily engaged in the provision of
8 residential social and personal care for children, the aged,
9 and special categories of persons with some limits on their
10 ability for self-care, as described in SIC Code 8361 of the
11 Standard Industrial Classification (SIC) Manual
12 published by the United States Office of Management
13 and Budget, 1987 edition.

